



**FEDERAL ELECTION COMMISSION**  
WASHINGTON, D.C. 20463

Jill Holtzman  
Holtzman Vogel PLLC  
98 Alexandria Pike  
Suite 53  
Warrenton, VA 20186

**DEC 4 2006**

**RE: MUR 5652**  
**Otto Candies, L.L.C.**

**Dear Ms. Holtzman:**

On November 7, 2006, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your client's behalf in settlement of a violation of 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). Accordingly, the file has been closed in this matter as it pertains to Otto Candies, L.L.C.

The Commission reminds you that the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) still apply, and that this matter is still open with respect to other respondents. The Commission will notify you when the entire file has been closed.

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact me at (202) 694-1650.

**Sincerely,**

  
**Kamau Philbert**  
**Attorney**

**Enclosure**  
**Conciliation Agreement**

28044211810

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of )  
 )  
Otto Candies, L.L.C. ) MUR 5652

**CONCILIATION AGREEMENT**

This matter was initiated by the Federal Election Commission ("the Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Otto Candies, L.L.C. ("Respondent") violated 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act").<sup>1</sup>

NOW, THEREFORE, the Commission and Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

<sup>1</sup> The facts relevant to this matter occurred both prior to and after the effective date of the Bipartisan Campaign Reform Act of 2002 ("BCRA"), Pub. L. 107-155, 116 Stat. 81 (2002). Accordingly, the activity prior to BCRA is subject to the provisions of the Act as it existed at that time and the activity after BCRA is subject to the Act as amended by BCRA. However, the statutory provisions and Commission regulations at issue were not amended by BCRA in a manner relevant to the activity in this matter.

1           1. Respondent is a limited liability company that elects to be treated as a corporation by  
2 the Internal Revenue Service pursuant to 26 C.F.R. § 301.7701-3 and is considered to be a  
3 corporation for purposes of the Act. 11 C.F.R. § 110.1(g)(3).

4           2. Terrell for Senate is a political committee within the meaning of 2 U.S.C. § 431(4).

5           3. The Act prohibits corporations from using general treasury funds to make  
6 contributions in connection with Federal elections. 2 U.S.C. § 441b(a).

7           4. Respondent contributed a total of \$19,000 to Terrell for Senate during the 2002  
8 election cycle.

9           V. Respondent's contributions to Terrell for Senate violated 2 U.S.C. § 441b(a).  
10 Respondent will cease and desist from violating 2 U.S.C. § 441b(a).

11          VI. Respondent will pay a civil penalty to the Federal Election Commission in the  
12 amount of Eight Thousand Dollars (\$8,000), pursuant to 2 U.S.C. § 437g(a)(5)(A).

13          VII. The Commission, on request of anyone filing a complaint under 2 U.S.C.  
14 § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance  
15 with this agreement. If the Commission believes that this agreement or any requirement thereof  
16 has been violated, it may institute a civil action for relief in the United States District Court for  
17 the District of Columbia.

18          VIII. This agreement shall become effective as of the date that all parties hereto have  
19 executed same and the Commission has approved the entire agreement.

20          IX. Respondent shall have no more than 30 days from the date this agreement  
21 becomes effective to comply with and implement the requirements contained in this agreement  
22 and to so notify the Commission.

28044211812

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lawrence H. Norton  
General Counsel

BY:

Rhonda J. Vording by LLC  
Rhonda J. Vording  
Associate General Counsel  
for Enforcement

12/4/06  
Date

FOR RESPONDENT:

Otto Candies III  
(Name) Otto Candies III  
(Position) Secretary/Treasurer

9/29/06  
Date

28044211813